

**ND RETIREMENT AND INVESTMENT OFFICE**  
**Combined Balance Sheet**  
**As of 4/30/2004**

	As of 4-30-04	As of 6-30-03
<b>ASSETS:</b>		
<b>INVESTMENTS (AT MARKET)</b>		
DOMESTIC EQUITIES	\$ 1,353,737,115	\$ 1,293,274,762
INTERNATIONAL EQUITIES	652,297,569	560,765,217
DOMESTIC FIXED INCOME	1,310,365,672	1,136,499,399
INTERNATIONAL FIXED INCOME	126,901,602	110,380,109
REAL ESTATE POOL	186,128,962	168,299,583
VENTURE CAPITAL	115,740,307	103,782,691
INVESTED CASH (NOTE 1)	<u>159,062,230</u>	<u>80,246,521</u>
<b>TOTAL INVESTMENTS</b>	<b>3,904,233,457</b>	<b>3,453,248,282</b>
<b>RECEIVABLES</b>		
DIVIDEND/INTEREST RECEIVABLE	18,901,510	14,239,321
CONTRIBUTIONS/ASSESSMENTS REC	4,862,470	6,260,471
MISCELLANEOUS RECEIVABLES	<u>2,212</u>	<u>43,806</u>
<b>TOTAL RECEIVABLES</b>	<b>23,766,192</b>	<b>20,543,598</b>
<b>OTHER ASSETS</b>		
OPERATING CASH (NOTE 2)	6,923,677	7,521,244
DUE FROM OTHER AGENCIES (NOTE 3)	107,673	54,660
FIXED ASSETS (NET) (NOTE 4)	<u>3,414</u>	<u>3,414</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 3,935,034,413</u></b>	<b><u>\$ 3,481,371,198</u></b>
<b>LIABILITIES:</b>		
ACCOUNTS PAYABLE	2,138,726	2,220,333
ACCRUED EXPENSES	222,402	379,377
DUE TO OTHER AGENCIES (NOTE 5)	<u>107,674</u>	<u>54,660</u>
<b>TOTAL LIABILITIES</b>	<b>2,468,802</b>	<b>2,654,370</b>
<b>NET ASSETS AVAILABLE:</b>		
NET ASSETS AVAILABLE BEGIN OF YEAR	3,478,716,828	3,346,332,984
CASH IN DURING YEAR (NOTE 6)	237,711,858	264,797,201
CASH OUT DURING YEAR (NOTE 7)	224,287,700	288,420,000
NET INCREASE (DECREASE)	<u>440,424,625</u>	<u>156,006,643</u>
<b>NET ASSETS AVAILABLE END OF PERIOD</b>	<b><u>3,932,565,611</u></b>	<b><u>3,478,716,828</u></b>
<b>TOTAL LIABILITIES &amp; NET ASSETS AVAILABLE</b>	<b><u>\$ 3,935,034,413</u></b>	<b><u>\$ 3,481,371,198</u></b>

**ND RETIREMENT AND INVESTMENT OFFICE**  
**Combined Profit and Loss Statement**  
**For the Month Ended 4/30/2004**

	Month Ended <u>4-30-04</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 8,752,717	\$ 93,141,321
SECURITIES LENDING INCOME	396,173	2,937,246
	<u>9,148,890</u>	<u>96,078,567</u>
 GAIN ON SALE OF INVESTMENTS	 48,670,887	 390,527,060
LOSS ON SALE OF INVESTMENTS	<u>30,377,719</u>	<u>245,285,297</u>
 NET GAINS (LOSSES) INVESTMENTS	 18,293,168	 145,241,763
 INVESTMENT EXPENSES	 976,477	 9,055,316
SECURITIES LENDING EXPENSES	<u>309,211</u>	<u>2,308,818</u>
 NET INVESTMENT INCOME	 26,156,370	 229,956,196
 NET APPREC (DEPREC) MARKET VALUE	 (108,044,807)	 231,396,025
MISCELLANEOUS INCOME/(EXPENSE)	<u>(887,800)</u>	<u>(852,830)</u>
 TOTAL INVESTMENT INCOME	 (82,776,237)	 460,499,391
 CONTRIBUTIONS & ASSESSMENTS (NOTE 8)	 5,232,651	 43,755,185
PURCHASED SERVICE CREDIT (NOTE 9)	233,735	3,130,203
PENALTY & INTEREST (NOTE 10)	<u>76</u>	<u>(44)</u>
 TOTAL ADDITIONS	 <u>(77,309,775)</u>	 <u>507,384,735</u>
 DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 11)	6,431,307	63,982,110
REFUNDS TO MEMBER (NOTE 12)	<u>150,381</u>	<u>1,825,655</u>
 TOTAL BENEFITS PAID	 6,581,688	 65,807,765
 ADMINISTRATIVE EXPENSES		
SALARIES AND BENEFITS	72,845	703,563
OPERATING EXPENSES	77,077	448,782
EQUIPMENT	<u>0</u>	<u>0</u>
 TOTAL ADMINISTRATIVE EXPENSES	 <u>149,922</u>	 <u>1,152,345</u>
 TOTAL DEDUCTIONS	 <u>6,731,610</u>	 <u>66,960,110</u>
 NET INCREASE (DECREASE)	 <u>\$ (84,041,385)</u>	 <u>\$ 440,424,625</u>

**ND RETIREMENT AND INVESTMENT OFFICE**  
**Notes to Combined Financial Statement**  
**April 30, 2004**

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1                      INVESTED CASH

Cash invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company or a money market demand account at the Bank of North Dakota.

NOTE 2                      OPERATING CASH

Money market and checking accounts at the Bank of North Dakota and RIO's operating account at the State Treasurer's Office.

NOTE 3                      DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4                      FIXED ASSETS

Office furniture and equipment capitalized by RIO, shown net of depreciation. Depreciation is calculated straight-line, over five years.

NOTE 5                      DUE TO OTHER AGENCIES

Amounts received from agencies in excess of amounts allocated for RIO administrative expenses.

NOTE 6                      CASH IN DURING YEAR

Cash transferred into investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.

NOTE 7                      CASH OUT DURING YEAR

Cash transferred out of investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.

**ND RETIREMENT AND INVESTMENT OFFICE**  
**Notes to Combined Financial Statement**  
**4/30/2004**

NOTE 8                      CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 9                      PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

NOTE 10                    PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 11                    BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 12                    REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.